IN THE

Supreme Court of the United States

November Term, 1940

No.

WILLIAM GILLMAN, JACK GILLMAN, and
LASZLO WENCZEL, etc.,

Respondents,

—*vs*—

WILLIAM STERN,

Petitioner.

BRIEF IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI

Opinions of the Courts Below.

The District Court rendered its opinion in the form of findings of fact and conclusions of law, reported at 44 USPQ 496; this opinion may also be found at page 299, of the Record.

The opinion of the Circuit Court of Appeals has been reported at 114 Fed. (2d) 28; 46 USPQ 430; it may also be found at page , of the Record.

Jurisdiction.

The grounds of jurisdiction are:

(1) The date of the judgment to be reviewed is August 24, 1940.

(2) The judgment was rendered in a civil suit, brought under the patent statutes to determine the issues of

(a) infringement of Letters Patent; and

(b) by counterclaim, a question of unfair competition arising from Plaintiffs' conduct in connection with their patent.

(3) The statute under which the jurisdiction is invoked is Section 240 (a), as amended, of the Judicial Code, 28 USCA §347, as amended by the Act of February 13, 1925.

The cases believed to sustain jurisdiction are:

Stelos Co. v. *Hosiery Motor-Mend Corp., et al.,* 295 U. S. 237;
Ball & Socket Co. v. *Kraetzer,* 150 U. S. 111;
Carbice Corp. of America v. *American Patents Development Corp., et al.,* 283 U. S. 420, 421;
Altoona Publix Theatres, Inc. v. *American Tri-Ergon Corp., et al.,* 293 U. S. 528;
Keystone Driller Co. v. *General Excavator Co., et al.,* 290 U. S. 240.

Statement.

The facts are believed to be stated sufficiently in the Petition.

Specification of Errors.

The errors, which petitioner will urge if the Writ of Certiorari is allowed, are that the Circuit Court of Appeals for the Second Circuit erred:

(1) in holding Patent No. 1,919,674 valid, despite the fact that on its face it describes structure and operation which, by Plaintiffs' own testimony, cannot function to pro-

duce the results claimed, and cannot, in fact, function operatively in the manner described in the patent.

(2) in holding Patent No. 1,919,674 valid, despite the fact that the patentee has failed to comply with the patent statutes to point out the best method by which the machine can be used, or any method by which the machine can in fact be used.

(3) in holding Patent No. 1,919,674 valid, despite prior art which necessarily is for the same purpose and use, and encompasses everything claimed in the patent.

(4) in holding Patent No. 1,919,674 valid because of an alleged new use, despite acquiescence of the patentee that his use is analogous to the uses of patents prior art relied upon.

(5) in holding Patent No. 1,919,674 valid, despite use and knowledge, long prior to any date asserted by the patentee, of HANS HAAS and others of the machines developed and used by HANS HAAS.

(6) in refusing to dismiss Plaintiffs' suit, despite their misrepresentations of the subject matter of the suit, and especially of decrees of court in connection with that subject matter.

(7) in refusing to grant Defendant relief against and damages for the unfair competition of Plaintiffs in dealing with the suit patent, and in refusing costs to Defendant.

Summary of Argument.

The points of argument follow the reasons relied upon for the grant of a Writ of Certiorari, and are stated on pages 8 and 9 of the Petition, as well as in the Index hereto. For the sake of brevity, they are omitted at this point.

ARGUMENT

I. Can a patentee, in his patent, instruct how to do something, lay down essential requirements how that something be done, and, despite admitted fatal fallacy and description inoperative for the purposes enumerated in the patent, be sustained in a monopoly for that which he did not describe or require?

Section 4888, Revised Statutes, 35 USC §33, requires that:

> "Before any inventor * * * shall receive a patent for his invention * * * he * * * shall file * * * a written description of the same, and of the manner and process of making, constructing, compounding, and using it, in such full, clear, concise, and exact terms as to enable any persons skilled in the art or science to which it appertains * * * to make, construct, compound, and use the same; and in the case of a machine, he shall explain the principle thereof, and the best mode in which he has contemplated applying that principle, so as to distinguish it from other inventions * * *."

Referring to Figs. 2 and 3 of the suit patent (R. 174), casting 18 has a bore 22 formed through part 21. Injector tube holder 33, screwed into bore 22, has a bevelled seat 48 at its inner end. Piercing member 34, sometimes referred to as the needle, is retained in holder 33. A threaded shank 38 can be screwed into and out of the *inner* end of bore 22. A steel tube 40 extends beyond portion 39 (R. 176, ll. 34, *et seq.*) to telescope within needle 34.

When the machine is operated, the parts are arranged *as shown in the drawings* (R. 176, ll. 87, *et seq.*). *Before* air is supplied to the machine by operating control valve

24, thread has been "threaded into the machine as shown and previously described * * *" (R. 176, ll. 90-98). Threading is not mentioned anywhere else in the patent. The parts are required to be telescoped during operation. No other relationship is anywhere described. Claim 7, the only element claim, is based entirely upon the *telescoped* tubes. *Cadwell, et al.* v. *Firestone Tire & Rubber Co.*, 13 Fed. (2d) 483, 486.

Plaintiff GILLMAN (R. 50-52, fols. 148-156), STERN (R. 156-157, fols. 465-470) and HAAS all agree that the tubes *cannot* be telescoped to puff fabric; the tubes must be separated. Yet nowhere does the patent show or require tube 40 to be separated from needle 34. The patent contains absolutely nothing to instruct that, *before puffing proceed*, the end of tube 40 *be removed* from its telescoped position in needle 34, the only position in which it is shown and described in the patent. Plaintiff GILLMAN admits that, with the parts in the relationship of the patent drawing, the machine will *not* produce the result claimed, it will *not* puff, it will *not* drive thread into a pocket with sufficient force to compact the thread within that pocket.

GILLMAN (R. 50, fol. 150, R. 52, fols. 155-156) states positively that air, during puffing, *must* blow out of the machine in both directions, forward through the needle and *backward through the thread guide.* But the patent says that, in the operative relation, the parts are associated to *prevent* air from flowing back through the thread guide (R. 176, l. 42).

As stated by Mr. Justice Brandeis, a complete absence of description of the invention voids the patent. *Permutit Co.* v. *Graver Corporation*, 284 U. S. 52, 57-58. This element, upon which the Circuit Court of Appeals founds the distinction of the patent over the prior patent art, is wholly absent from the patent. The patent is founded upon a wholly false, inoperative disclosure, conclusive on Plaintiffs. *Western*

Electric Mfg. Co. v. *Ansonia Brass & Copper Co.*, 114 U. S. 447, 452; *Stelos Co.* v. *Hosiery Motor-Mend Corp., et al.*, 295 U. S. 237, 242, on certiorari from the same Circuit; *Ball & Socket Co.* v. *Kraetzer*, 150 U. S. 111, 116-117; *Electric Storage Battery Co.* v. *Gould Storage Battery Co.* (C. C. A. 2d), 158 Fed. 610, 616, 617.

Plaintiffs' testimony speaks of *threading* by *suction*. The patent itself takes threading to have been completed, but does not tell how it is done. Plaintiffs look to inference for operation of the device. The device could be threaded with a fine wire (R. 54, fol. 162). But there is not even a scintilla of disclosure in the patent regarding the threading operation or that the members be moved out of telescoped relationship. *Altoona Publix Theatres, Inc.* v. *American Tri-Ergon Corp., et al.*, 294 U. S. 477, 487. Yet this is critical. Certainly a patent cannot set forth *exactly the opposite* of the true state of affairs, and be valid. *American Lava Co., et al.* v. *Steward, et al.* (C. C. A. 6th), 155 Fed. 731, 736-737.

Plaintiffs ask this Court to reconstruct the patent in light of later discoveries, and thus to avoid the effect of the inoperative disclosure. They ask this Court to usurp the functions of the Patent Office, and reissue a patent for that for which the Patent Office would refuse reissue. *Paul Boynton Co.* v. *Morris Chute Co., et al.* (C. C. A. 3rd), 87 Fed. 225, 226, 227, 228, 229. For it is well settled that, if after filing an application with a statement, as in the patent that the parts *are* telescoped during operation, the applicant should try to change the context to state that the parts *must not* be telescoped during operation, either by amendment or by reissue, the amendment would be refused entry or the reissue application would be rejected as for new matter.

II. Is it non-analogous use to blow thread through a machine that blows sand or paint, where no change whatsoever is even made in the structure of the prior patent art machine to adapt the machine for that purpose?

As in *Brady Brass Co.* v. *Ajax Metal Co.* (C. C. A. 3rd), 160 Fed. 84, WENCZEL has not merely made no *sufficient* advance over the prior art; he has made *no* advance. No single element in the claims of the suit patent is specifically adapted for thread, and not for transporting and handling the materials of the prior art patents. STERN demonstrated this beyond any doubt with Defendant's Exhibit P (R. 154-155, fols. 460-465). The very same gun that blew sand into a pocket, blew thread violently across the courtroom. The apparatus demonstrated by STERN is exactly, in terms, the apparatus of TILGHMAN, PROSSER, STARRE, THOMPSON, BARCLAY (R. 252-295), to be discussed. *Busell Trimmer Co.* v. *Stevens,* 137 U. S. 423, 433, 435; *Pennsylvania Railroad Co.* v. *Locomotive Engine Safety Truck Co.,* 110 U. S. 490, 494. Thus the adaptation of air-transport apparatus to function with thread, and the use of a needle just as any nozzle, are of no point in the case at bar. And both WENCZEL and HAAS knew of the air-brush (R. 76, fols. 227-228; 88, fols. 262-264; 96-97, fols. 287-289; 164, fol. 491). The patent art knew the exact theory of the patent disclosure, and expressed it. HAAS knew of such patents, and wanted to see whether or not he would infringe such patents by his particular development (R. 88, fol. 264).

That PROSSER, 671,774 (R. 274-276), was not found and considered by the Examiner who found and considered SLAYTER, 1,728,837 (R. 296-298), of which more further, points clearly to the inefficiency of the Examiner. PROSSER, like SLAYTER, has a nozzle, useful for the same purpose. But PROSSER, in addition, has the entire material-han-

dling system of the structure of the suit patent: the adjustable member for controlling air flow, the T-construction for the inlet of the air to the delivery duct. Air, in PROSSER, enters through duct a^9. From passage a^3 in duct a^9, air passes into a circumferential passage a^4, around the threader or sleeve a^5. Air passes on the outside of sleeve a^5 and between sleeve a^5 and duct a^1. Both of these are tapered conically, the same telescoping relationship of Plaintiff GILLMAN'S testimony (R. 49-50, fols. 147-148). Member a^5 is adjustable by means of screw threads a^6 and screw threads a^{10} to determine the size of passage a^8 (R. 275, ll. 62 *et seq.*). Suction unquestionably is the factor of operation (R. 276, ll. 3, *et seq.*). Air is the motive fluid (R. 275, l. 68). To mount a control valve in duct a^9 would be of no patentable importance; it is the adjustability of thimble a^5 to vary the size of annular space a^8 that has relation to the factor of patentability urged by Plaintiffs. PROSSER definitely anticipates.

STARRE, 894,758 (R. 278-279), operates under suction (R. 279, ll. 22, *et seq.*). Threader 8 is adjustable within body 7 by screw threads 12, the threader being rotated by hand wheel 5. This apparatus, as STERN demonstrated (R. 154-155, fols. 460-465), does operate with ordinary thread as well as with any other material. Air enters at 11, and is controlled in its flow into outlet 10 by means of the conjunction of seat 17 with seat 16. Even adjustment is fully disclosed. *Barber* v. *Otis Motor Sales Co.* (C. C. A. 2d), 271 Fed. 171, 177; *Equitable Asphalt Maintenance Co.* v. *Parker-Washington Co.* (D. C. W. D. Mo. W. D.), 197 Fed. 920, 927.

THOMPSON, 923,910 (R. 281-283), shows the type of air-brush which must have been known to WENCZEL and HAAS. When patent color control 21 is slid out of casing 13 in this patent, thread would pass through casing 13 and out of casing 1 through open end 3. Air, the impelling

medium in THOMPSON, is under control of a valve 10. A T-construction is used. Suction is produced. Casing or threader 13 is screw-threaded into casing 1, and may be adjusted so that the relationship of the tapered ends determines the amount of air passing to the nozzle (R. 282, ll. 104, *et seq.*).

BARCLAY, 424,638 (Fig. 6, R. 264) has the same telescopic arrangement of member H within the bore of member I′ as in the patent suit. Member H, adjustable by threading in and out of bore *b* towards and away from the tapered portion of member I′, changes the cross-sectional area of the passage *i, i.*

Regulation is required (R. 269, ll. 5, *et seq.*, ll. 55, *et seq.;* 270, ll. 129, *et seq.*). Suction is produced (R. 268, ll. 19, *et seq.;* R. 269, ll. 29, *et seq.*, ll. 43, *et seq.*, ll. 81, *et seq.*). Air is the medium. A control valve for the main air line is a very ordinary element, requiring no particular description (R. 269, ll. 60, *et seq.*). The claims do not define over this reference, even by specifying any particular size. But reduction in size to accommodate a small volume of thread as against a large volume of grain is not invention. The principle of transportation is identical; the structure is identical; even the purpose, pneumatic transportation, is identical. *Miller, et al.* v. *Life Savers, Inc.* (C. C. A. 2d), 62 Fed. (2d) 513, 515.

TILGHMAN, 108,408 (R. 252-256), drives sand through a nozzle by means of air (R. 255, bottom of first column, top of second column). Tube *c,* fitted into tube *d telescopes* into that tube at the outlet end *m, m* or "needle end" of tube *d.* Passage *m, m* is formed between tubes *c, d.* At the rear end of the apparatus, screw threads are shown for the purpose of adjusting tube *c* in tube *d.* Adjustment is critical (R. 254, middle of first column). Tube *i* is an outlet nozzle, like the nozzle of SLAYTER, 1,728,837 (R. 296-298). But even mere adjustability is not patentability. *Smyth Mfg. Co.* v. *Sheridan, et al.* (C. C. A. 2nd), 149 Fed. 208, 211, 212.

The claims of the patent in suit cannot be differentiated patentably from TILGHMAN. No control valve is shown in line *o*, but certainly it is not invention to supply a control valve anywhere. In any case, the control valve of importance was the telescoped members, Plaintiffs say. TILGHMAN has the same T-structure as the patent in suit, produces suction for drawing sand into the nozzle so that it may be blasted therefrom (R. 254, middle of first column).

The alleged non-analogous use, the basis of the decision by the Circuit Court of Appeals, is not present. Both HAAS and WENCZEL worked on air-brushes. The principle of the air-brush had been put to work by HAAS long before the patentee's alleged independent invention. HAAS' use had been successful, had never been abandoned. But aside from HAAS, there is nothing in the claim to show a change from the prior patent art wherein the machine of the suit patent is specifically adapted for the described function, where the prior art structures are not. The patent does not even specify so unpatentable a feature as a specific size. Mere change of proportions was not invention; and this was true where there was a change in mode of operation. *Roberts* v. *Ryer*, 91 U. S. 150, 157. In any case, there must be more than mere use of apparatus upon a new material. *Dwight & Lloyd Sintering Co., Inc.* v. *Greenawalt* (C. C. A. 2d), 27 Fed. (2d) 823, 828.

WENCZEL is not even the first adapter of air blast apparatus to blowing thread. Plaintiffs' own counsel admitted that (R. 113-114, fols. 339-340). *Inventive change* was necessary here. But no inventive change is specified. *Concrete Appliances Co., et al.* v. *Meinken, et al.* (C. C. A. 6th), 262 Fed. 958, 960-961. This same Circuit Court of Appeals says now that it can grant a patent for a "new" use, but denied it in *M. & B. Mfg. Co.* v. *Munk, et al.* (C. C. A. 2d), 77 Fed. (2d) 261, 262; *Dwight & Lloyd Sintering Co.* v. *Greenawalt* (C. C. A. 2d), 27 Fed. (2d) 823, 828, *supra.*

The suit patent claims distinguish only by immaterialities from the prior art. Whether the machine is a "puffing machine," or an "embroidery machine," as it was originally entitled, is without importance. A "tubular injector member" does not distinguish from the nozzle of PROSSER any more than does the nozzle of SLAYTER, to be discussed further. More than such *minutiae* is necessary to support a patent monopoly. The patent, and, more especially, the claims, must inventively differentiate from the art. *Altoona Publix Theatres, Inc.* v. *American Tri-Ergon Corp., et al.*, 294 U. S. 477, 487, *supra.*

Claims 1 to 3, and 5 (R. 177) state nothing but a needle or nozzle, an air supply, and any manually operated control for the air supply, such as a valve in the air line. Even prior structures admitted by a statement of Plaintiffs' counsel would have these elements of necessity. Merely to demonstrate more effectively the application of the claims to the references, a table, attached as "Appendix A," has been made of the elements of the several reference patents, and their relations to the different phrases in the claims.

Claim 4 (R. 177) includes generally "manually controlled valve means * * * " and "thread guide means * * *." Neither valve nor guide have any specific structure or relation. Any kind of a guide can be used. And any kind of a valve may be used. Means for controlling or regulating the flow of air, any valve, cannot be invention; it was treated with the greatest casualness by BARCLAY away back in 1886 (R. 269, ll. 60-63)! Can such a valve be the foundation for a patent monopoly in the year 1931?

The arguments regarding adjustability of member 40 (R. 174), even if founded upon an actual disclosure, therefore, are wholly without point as to these claims which fail in any way to include that specific structure. They represent absolutely nothing but an air line with a nozzle and a valve. In fact, they degenerate to a mere statement of means for performing a function.

In claim 6 (R. 177), not a thread guide, but two valves, are defined: a manually operated air valve to control flow of air through the apparatus, and a regulating valve to control the flow of air from the air duct to the tubular injector member. Again no specific structure appears. Any of the controls of the prior art anticipates.

As for claim 7, the requirement of telescoped members is met in all the prior art by the definition given to such member by GILLMAN, testifying for himself and his associated Plaintiffs (R. 49-50, fols. 147-148). TILGHMAN (R. 252), in fact, has the identical structure.

Plaintiffs have failed to prove that any machine of Defendant will puff when the members are telescoped, the essential requirement of the patent. The patent cannot be infringed. *Dryfoos* v. *Wiese,* 124 U. S. 32, 38.

III. Is there non-analogous use where, during prosecution of the application, the patentee himself acquiesced in, and cancelled claims in response to rejection, where the whole essence of the rejection was just that, the analogy between use of material such as sand or asbestos and thread?

Claim 13 (R. 218), when first presented, required a pneumatic puffing machine having a tubular piercing member through which thread is adapted to be passed, with means for directing a flow of air through such a member to move the thread therethrough. Claim 13, not a casual claim, grew out of strenuous prosecution of and replaced original claim 7 (R. 192), which was cancelled.

Original claims 9, 10, 11 and 12 (R. 193) subsequently cancelled (R. 204), state a method involved in piercing a wall of a pocket in embroidered fabrics to blow thread into the pocket. These method claims 11 and 12 have nothing whatsoever to do with thread, but merely include a *method*

of filling pockets with any kind of stuffing material by blowing it into that pocket. On further prosecution, WENCZEL admitted that the material in the needle was unrelated to, and no part of, the claimed invention (R. 207, 210, 214, 215). Thus the claims define nothing more than apparatus without limitation on use, in which air drives a substance through the conduit.

No invention over any conduit or nozzle was present in the tubular piercing member, used for thread, WENCZEL admitted, by cancelling claims 7 and 13, rejected on SLAYTER, 1,728,837 (R. 217, 218, 220, 221, 296-298). SLAYTER did not puff pockets, did not use thread; he worked with granules. SLAYTER shows nothing more than a hand nozzle, blasting granules through a *drilled* hole opening into a space between the outer and inner walls of the house. Yet Plaintiffs, after strenuous prosecution, accepted SLAYTER as a reference against claims for a puffing machine; they admitted that such a device was not merely in an analogous art, but that it was in the *same* art as apparatus for transporting and injecting thread. WENCZEL set the limits for anticipation by his prosecution which required no limitation to a specific material. The prior art, to the same degree, has application. *Hookless Fastener Co.* v. *G. E. Prentice Mfg. Co.* (C. C. A. 2d), 68 Fed. (2d) 848, 851.

IV. Is an admitted use, commenced long prior to any date upon which the patentee relies, known to many parties, extensive, and continuing even at the date of the trial, to be held no bar to a patent merely because the user did not show his machine to every Tom, Dick and Harry, and especially did not show it or tell of it to his competitors, including Plaintiffs?

Not the slightest doubt has been thrown upon the manufacture and use by HAAS, long prior to any date upon

which Plaintiffs rely, of machines embodying every detail of the claimed invention. The District Court, cognizant of Defendant's burden, did not hesitate to express its conviction of HAAS' prior knowledge and use. Certainly HAAS at least did exactly that which is set forth in the patent. HAAS (R. 77, fols. 229-231), CUSTER (R. 122-124, fols. 364-370), Mrs. HAAS (R. 128-131, fols. 383, 386-393), testified the machine used a needle, and, of course, used compressed air. He had a manually operated air valve. He had a regulating air valve. HAAS is corroborated in his testimony that, at least as early as October, 1929, he was manufacturing puffed articles, and doing so commercially, and doing it by blowing thread into pockets. But more than that, CUSTER, without being shown the machine, described the machine down to every detail of its external appearance (R. 112-115). Mrs. HAAS corroborated (R. 127-131). Mrs. HAAS, as excited as she was, and with lack of technical capacity, still was able to describe the machine as of T-construction, as having a needle, as using air pressure for blowing the thread into the pocket. OSCAR STERN corroborated (R. 97-99). JACK GREEN'S letter, as stipulated, corroborated (R. 105-106, fols. 315-316). KADISON corroborated (R. 137-141). The checks (Defendant's Exhibit L) corroborated. *Corona Cord Tire Co.* v. *Dovan Chemical Corp.,* 276 U. S. 358, 382, 383, 384-385.

HAAS does not hesitate when he speaks of the principles of these machines. But the patent bespeaks WENCZEL'S lack of knowledge regarding the *operation,* not merely the principles, of his alleged invention. Does that not lead unerringly to the District Court's conclusion regarding that for which WENCZEL made application? *Bromley Bros. Carpet Co.* v. *Stewart, et al.* (C. C. E. D. Pa.), 51 Fed. 912, 916; *Haslem* v. *Pittsburgh Plate-Glass Co.* (C. C. W. D. Pa.), 68 Fed. 479, 481.

The information, brought home to WENCZEL and WILLIAM GILLMAN, the two Plaintiffs, through NEW-

MAN and their employer, IDEAL AIRBRUSH COMPANY, even more accentuates the priority of HAAS. There was coincidence of knowledge with actual use, actual commercial use over an extended period, commercial use even known to two of the individual Plaintiffs.

CUSTER (R. 112-113, fols. 335-338), Mrs. HAAS (R. 128, fols. 383, *et seq.*), KADISON (R. 138-139, fols. 414-416), NEWMAN (R. 133, fol. 398), all *knew* about HAAS' device; furthermore, all but NEWMAN saw it work, and it was still in operation at the time of the trial. NEWMAN had been at HAAS' plant when there was no puffing other than that which HAAS was manufacturing (R. 135). NEWMAN brought to RETHY the information for the manufacture of a puffing machine (R. 163-164). WENCZEL was then RETHY'S employee. The HAAS device is not something to be picked out of some morgue; it is not a device, long forgotten but brushed off for this suit after a long rest upon a scrap heap, as was the case in *Gayler, et al.* v. *Wilder,* 51 U. S. 477, 496. There was nothing embryotic or inchoate in HAAS' use; his use was and still is a commercial success, not such as considered in *The Barbed Wire Patent,* 143 U. S. 275. It cannot be that Plaintiffs, despite HAAS' long use, long prior to their patent application, will be able to *enjoin* HAAS. *Corona Cord Tire Co.* v. *Dovan Chemical Corp.,* 276 U. S. 358, 384-385. Their claims are broad enough for that purpose.

Unquestionably, the products of HAAS' machine have been and are even now being sold; at least one other person saw the machine used. Anticipation follows. *Smith & Griggs Manufacturing Company* v. *Sprague,* 123 U. S. 249, 256; *Coffin* v. *Ogden,* 18 Wall. (85 U. S.) 120, 124-125.

Certainly all the requirements for operation in the presence of others, and for perception of utility, are met by the evidence. HAAS, Mrs. HAAS, the operatives, Mrs. HAAS' father operated the machines. CUSTER perceived the

utility of the machine. The testimony is not of HAAS alone, but of a large number of witnesses. Not one of these witnesses, including HAAS, is a witness with an interest; in fact, all witnesses for Defendant except Defendant himself are without an interest. And, what is more, we have the machines, the actual physical embodiments. *And not a scintilla of doubt has been thrown on any of the testimony or the exhibits!*

That no one ever broke a machine apart, or could describe its construction, is of no importance. It was public use, even if it has been buried so that the machine has to be destroyed to find out how it worked; *Hall* v. *MacNeale,* 107 U. S. 90, 97; *Brush* v. *Condit,* 132 U. S. 39, 49; or even if a Court had sealed everyone's lips to disclose the nature of the use. *Macbeth-Evans Glass Co.* v. *General Electric Co.,* 246 Fed. 695, certiorari denied 246 U. S. 659.

HAAS' device has complete utility; there is nothing indefinite in its operation; there is nothing accidental in the results it attained; HAAS definitely has attained the same result urged by Plaintiffs, recognized those results, and, after use, recognized the shortcomings of his development, and advanced to an improvement even at this very late date not attained by either Plaintiffs or Defendant.

HAAS planned his device on the basis of the air-brush. For his present device, he went beyond the air-brush. The first device was the air-brush.

The burden was on Plaintiffs to disprove knowledge on their part of HAAS, of NEWMAN, or of their own employer, and the work done in devising apparatus for performing the identical result of the patent. *Union Special Mach. Co.* v. *Quaker City Flour Mills Co.* (D. C. E. D. Pa.), 236 Fed. 246, 252.

If there is any laurel to be awarded for the use of an air gun or an air-brush to blow thread into a pocket, the award should be to HAAS, who did it long before Plaintiffs. Un-

questionably HAAS, the pioneer, answers every claim of the patent, even down to the specific structural claim 7, met clearly by HAAS' first structure. The application of claim 7 to HAAS' first structure, Exhibit C, was admitted by Counsel for Plaintiffs orally before the District Judge. Exhibit C was publicly used, and is an anticipation. The mere fact that HAAS turned to the second machine is without point. *Clisby, et al.* v. *Reese* (C. C. A. 7th), 88 Fed. 645, 647; *C. B. Cottrell & Sons Co.* v. *Claybourn Process Corporation* (D. C. E. D. Wisc.), 17 Fed. (2d) 279, 287.

V. Is the rule of *Macbeth-Evans Glass Co.* v. *General Electric Company*, 246 Fed. 695, certiorari denied 246 U. S. 659, that a use known to more than one person, extensive and in great industrial use, a bar to a patent regardless of safeguards by the user to keep information from his competitors, to be discarded for this case?

An actual subsisting use, even if made secret by decree of Court, invalidates a patent. *Macbeth-Evans Glass Co.* v. *General Electric Company* (D. C. N. D. Ohio), 231 Fed. 183, affirmed 246 Fed. 695 (C. C. A. 6th), certiorari denied 246 U. S. 659. Knowledge, reduced to practice as HAAS necessarily must have reduced it to practice, and dedicated to the public, is good anticipation. WENCZEL cannot monopolize that dedication as against the public. *Corona Cord Tire Co.* v. *Dovan Chemical Corp.*, 276 U S. 358, 384-385, *supra.*

Unquestionably, a use is a public use, and a bar to patent, so long as there were employees present who knew of the use, despite their lack of technical knowledge of the use. The defenses are multiple. Knowledge which consists of more than something buried in the tissues of the brain of some one man, and is capable of sound legalistic and convincing

proof, is a bar. A use made for profit, industrially, and to the knowledge of more than one person, is a public use, even if the tongues of those who saw the use were tied by injunction so that the nature of the use could not have been disclosed. *Macbeth-Evans Glass Co.* v. *General Electric Co.*, 246 Fed. 695, *supra*. In the case at bar, quite a number of people had seen the many machines made by HAAS, and had seen them in use. In addition to CUSTER, KADISON, KIRSCHNER, and Mrs. HAAS, there were the employees of HAAS. There is no evidence to show what the leak was, but there could have been a leak. There was nothing to prevent any of these persons from telling all they knew to any person, including the Plaintiffs. HAAS never obtained any injunction to prevent anyone from talking about his machine. And NEWMAN is just one of those who did try to get into the HAAS plant proper. If NEWMAN had broken into the plant and stolen a machine, would not his stolen knowledge have been a bar to the application for patent here? It is the public's right to free use of the invention as against the first and true inventor that is at stake, not the right as against some other party who picked up the idea, whether rightfully or wrongfully, to have a monopoly of that of which he was in fact not the first user. Is HAAS, although first, to be barred because Plaintiffs, much later, did have the money to apply for a patent?

VI. Is the ancient doctrine of necessary equitable conduct on the part of a plaintiff as a suitor in a court of equity to be discarded completely, and are plaintiffs to be countenanced in a court of equity even when they have made active, unequivocal misrepresentations regarding decrees of Court bearing on the suit patent?

From either standpoint, that is, as defense or as counterclaim, Plaintiffs have shown themselves unconscionable,

and, therefore, both without right before this Court, and proper subjects for injunction and accounting for damages and profits.

Defendant's Exhibit M.

Defendant's Exhibit M (R. 247), and especially the red-letter part (R. 144-145), and the intriguing testimony of WILLIAM GILLMAN (R. 142-146) were the subject of severe castigation (R. 302-304, fols. 906-907, 909), of Plaintiffs by the District Court. Without any basis in any decree ever granted to Plaintiffs, they have the impudence to state, with perfect contempt, that the Court—and the Court, set up in that red-letter part, is the Supreme Court of the United States—had given them, the Plaintiffs, the right to CONFISCATE and DESTROY machines, the right to recover profits, the right to collect damages, the right to collect costs, the right to collect disbursements,—in no part of which, this WILLIAM GILLMAN had to admit, was there the slightest verity or truth.

WILLIAM GILLMAN does not hesitate to admit that this letter had been sent out widespread to the embroiderers, pleaters and stitchers, the industry interested in such machines, in New York City and elsewhere (R. 142, fol. 426), that he had used this letter, as well as his other abilities at persuasion, to induce a Mr. BYER to buy machines from Plaintiffs, and not from Defendant, WILLIAM STERN (R. 148-149, fols. 444-447), that he personally attended to the preparation of the letter, yet never had seen the decrees. Included in the underlined portions is a statement regarding the action against Defendant. There had been no decree against Defendant, no decision of any kind. They wanted no one to miss these statements, *so they glare forth in red print.* And the only Court mentioned in the red print is the United States Supreme Court. And all these "bought" decrees required release against *any* costs, *any* disburse-

ments, *any* damages, and *any* profits, and never had any provision for destruction and confiscation.

To the same list of prospective customers for Defendant, Plaintiffs sent Defendant's Exhibit N (R. 249). Defendant's Exhibit N in no way indicates that the only injunction ever obtained by Plaintiffs was through consent decree.

Plaintiffs are entitled to no relief whatsoever. *Worden* v. *California Fig Syrup Co.*, 187 U. S. 516, 527, 528, *et seq.; Manhattan Medicine Co.* v. *Wood*, 108 U. S. 218, 222, 227; *Keystone Driller Co.* v. *General Excavator Co., et al.*, 290 U. S. 240, on certiorari from 64 Fed. (2d) 39; *Art Metal Works, Inc.* v. *Abraham & Straus, Inc.* (C. C. A. 2d), 70 Fed. (2d) 641, 642.

As a matter of fact, conduct of a much less aggravated character was referred to in taking under consideration the case of *Carbice Corp. of America* v. *American Patents Development Corp., et al.*, 283 U. S. 420, 421.

In *Art Metal Works* v. *Abraham & Straus*, 70 Fed. (2d) 641, *supra*, before the same Circuit Court of Appeals, plaintiff's inequitable conduct involved only a misinterpretation, not absolute misstatement, of a decision of that Court. Yet the entire case was dismissed after the patent had been held valid and infringed. In *Keystone Driller Co.* v. *General Excavator Co., et al.*, 290 U. S. 240, *supra*, a seeming suppression of evidence resulted in dismissal of the entire suit, although the suppression applied not to all the suit patents! In no case was there the rank falsification of this suit, where, without even an inquiry as to correctness, *without even ever having seen the decree*, Plaintiffs fraudulently and maliciously misrepresented those decrees. The Bill of Complaint should be dismissed.

Long after suit commenced, Plaintiffs gave a release, Defendant's Exhibit O (R. 250), to one CHARLES BIALOR. This release is noteworthy. On its face a contract between Plaintiffs and a witness, made prior to testimony, to induce

that witness, for a consideration, to testify in favor of Plaintiffs, the consideration is the graciousness of Plaintiffs not to prosecute the present action against that witness, charged as conjoint infringer with Defendant.

VII. Is Defendant who succeeds in establishing the invalidity of the suit patent, and acts of unfair dealing by Plaintiffs with such patent, to the injury of the business of Defendant, to be denied his costs and his injunction and accounting for damages, merely because he might have infringed if there had been a patent to infringe?

If, as seems clear, the patent in suit is invalid, and as Plaintiffs, WILLIAM GILLMAN and LASZLO WENCZEL, are coupled directly with knowledge that machines puffed fabrics long before any date they can claim for alleged "invention," information derived from their relationship to their employer,—the conclusion is required, in view of their other unconscionable conduct, that Defendant be granted his prayer for injunction, and recovery for damages suffered from Plaintiffs' interference with his business, as well as profits Plaintiffs gained. *Moore* v. *Cotton Exchange,* 270 U. S. 593, 610; *Gerosa* v. *Apco Mfg. Co.* (C. C. A. 1st), 299 Fed. 19, 26; *American Ball Co.* v. *Federal Cartridge Corp., et al.* (C. C. A. 8th), 70 Fed. (2d) 579; *Gardner Sign Co.* v. *Claude Neon Lights, Inc., et al.* (D. C. W. D. Pa.), 36 Fed. (2d) 827.

Defendant Should Recover Costs.

The fifth conclusion of law in the District Court's opinion (R. 304, fol. 910) cannot be supported in law or fact. There was no evidence taken, none was requested, whether Defendant had sought advice of counsel before manufacturing. Grant that he had. Of what importance would that be if

he were held an *infringer* of a valid patent, and had shown Plaintiffs to be guilty of unconscionable conduct? But in the case at bar, if there is no patent, there *can be no infringement.* Whether Defendant desired to bring an action for declaratory judgment, or to be sued, to test out the validity of the patent, he had to manufacture. If he is successful in his assertion that Plaintiffs have no right, how can he be unconscionable? *Every action for declaratory judgment* would be required to be dismissed for the same reason if the plaintiff, as in *Zenie Bros.* v. *Miskend, et al.* (D. C. S. D. N. Y.), 10 Fed. Supp. 779, 780; *E. Edelmann & Co.* v. *Triple-A Specialty Co.* (C. C. A. 7th), 88 Fed. (2d) 852, 853, certiorari denied 300 U. S. 680, asserts he is making the item of the patent, but deems the patent invalid. According to the District Court, the result in *Leman* v. *Krentler-Arnold Hinge Last Co.,* 284 U. S. 448, is wrong, where one of plaintiff's patents was held invalid, but plaintiff was held to infringe defendant's patents, and defendant was awarded costs. *Krentler-Arnold Hinge Last Co.* v. *Leman, et al.,* 13 Fed. (2d) 796.

CONCLUSION.

It is earnestly urged, therefore, that the petition be granted.

Very respectfully submitted,

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Of Counsel.